Philip G. George

From: Joe Brennan Jr [joebrennanjr@iMEGA.org]

Sent: Wednesday, August 29, 2007 7:44 AM

To: Edward Leyden; Eric M. Bernstein; Philip G. George

Subject: Update: Party Gaming (egamingreview.com)

Party results reveal effect of US pull out

PartyGaming's interim results revealed a pre-tax loss of US$47.1m (£23.5m), due to the closure of its US operations following the passing of the Unlawful Internet Gambling Enforcement Act (UIGEA). Total revenue for the group was down 68% to US$212.5m, compared with US$661.9m in the same period last year.

However, Party said the revenue figure reflected the overall performance of its continuing operations (Europe, Middle East and Africa) and marked a 42% increase on the US$149.8m achieved in the six month period to the end of June 2006.

Mitch Garber, chief executive of PartyGaming, said: ""The Group has delivered a solid performance in the first half of 2007 with excellent top line growth and new player sign-ups. We continue to execute our strategy through growing our player base, localisation of the customer offer and broadening our product suite. Over the coming weeks and months we expect to announce a number of further important business alliances with leading companies around the world that will help us to promote and grow our business. While the important fourth quarter lies ahead, the board remains confident about the group's prospects for the full year."

The company highlighted the "spectacular" growth of its casino operations, which revealed a 218% rise in net casino revenue compared with 2006, and said that even allowing for first-time contributions from Empire Online and Intercontinental Online Gaming since January 2007, casino revenues now made up 30% of the group's total revenues, compared with 14% in 2006.

Poker revenue for the six month period to the end of June was US$140.5m, compared with US$129.5m in 2006, casino revenue came to US$64.6m, compared with US$20.3m in the same period last year, while sports betting, including the maiden contributions of Gamebookers and PartyBets, brought in US$6.5m in the first six months of the year. New non-US real money sign ups had increased by 83% to 403,713, compared with 220,761 in the same period in 2006.

The company said it had lost ground to competitors that continued to take US bets in the second quarter of the year but that this was expected. As a result, its flagship PartyPoker site now made up 12% of the global online poker market, compared with 15.4% in February 2007.

Dockets.Justia.com

Price Quotation, September 5, 2007

Reuters [http://www.reuters.com] PartyGaming, Ltd.

Partygaming Plc PYGMF.PK (OTC)

Sector: **Industry:** View **PYGMF.PK** on other exchanges
As of 11:00 PM EST

$.57 USD

Price Change

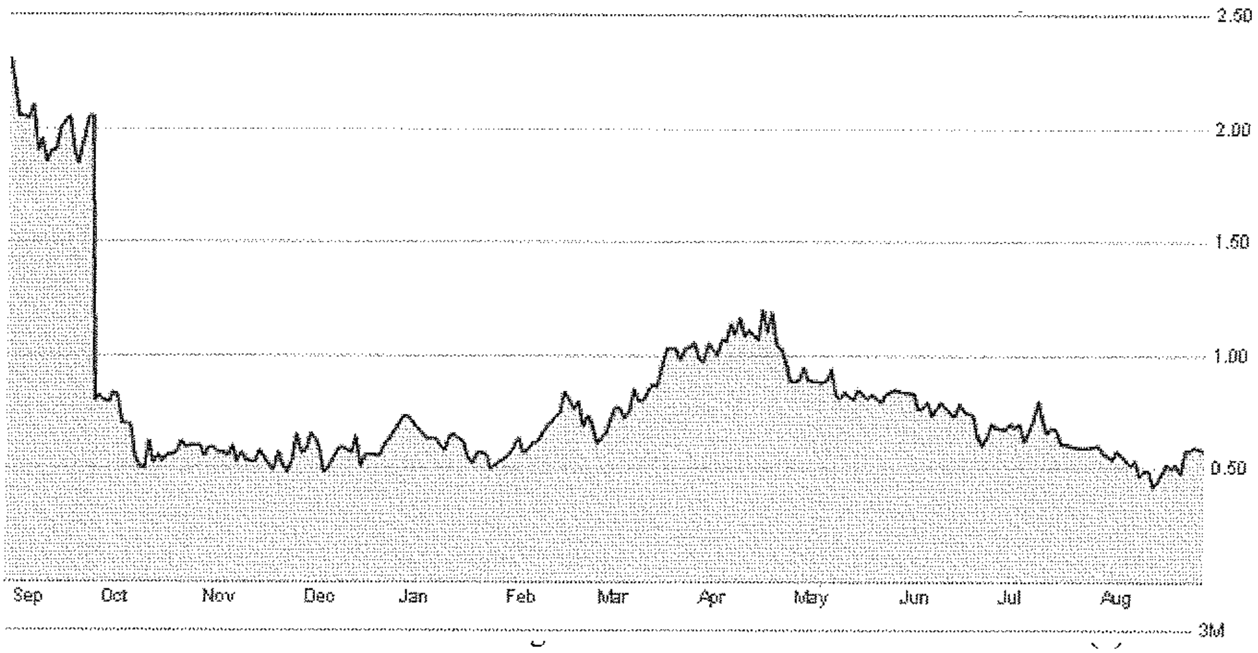
0.00

Percent Change

0.00%

▸Independent Research ▸Broker Research

Today 5 Day 10 Day 1 Month 6 Month 1 Year 3 Year 5 Year | 1 Year ▾



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